

NATIONAL GRAIN TRADE COUNCIL

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October 29, 2003

The Honorable Bill Thomas  
U.S. House of Representatives  
2208 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Thomas:

I am writing on behalf of the members of the National Grain Trade Council to express our support for your approach to replacing the Foreign Sales Corporation/Extraterritorial Income Benefit (FSC/ETI) in the American Jobs Creation Act of 2003 as approved yesterday by the House Ways and Means Committee. We are encouraged by the direction that the bill has taken. We especially appreciate your recognition that American agriculture, as a significant beneficiary of FSC/ETI, is a critical component of replacement legislation.

We understand that the bill will cover the agriculture activities we raised with your staff, ensuring that manufacturing type activities such as bulk commodity handling are not excluded from the intended benefits of the legislation.

We also urge you to take whatever steps are necessary to move forward to complete the legislative process this year. As you are well aware, the European Union has indicated that continuing failure to resolve this issue by the U.S. will result in the commencement of phased-in retaliation beginning as early as next spring, and U.S. agricultural exports are certain to be at the top of the EU's list.

We look forward to continuing to work with you and your staff on this important issue.

Sincerely,



JULA J. KINNAIRD  
President

Cc: Commerce Secretary Donald Evans  
Treasury Secretary John Snow  
U.S. Trade Representative Robert Zoellick